

STEERING, LEGISLATIVE & GOVERNMENTAL COMMITTEE

January 5, 2009

5:30 p.m.

Courthouse

MINUTES:

MEMBERS PRESENT:

Commissioner Jack Black
Commissioner Adam Coggin
Commissioner Gary Farley
Commissioner Jeff Jordan
Commissioner Jeff Phillips
Commissioner Steve Sandlin
Commissioner John Rodgers, C

OTHERS PRESENT:

Ernest Burgess Lisa Nolen
Bob Bullen Carol Cook
Joe F. Jernigan Rick Hall
Jim Daniel Ronald Williams
Robert Peay Donna Rowland
Bill Ketron Jim Tracy
Kent Coleman Joe Carr

Darrell Scarlett, Sonya Stephenson, John Lodl, David Connor, Bart Smith, Grant Kelley, Tom Hartley, Ronnie Barrett, Becky Shelton

Chairman Rodgers presided and called the meeting to order at 5:30 p.m. with all members being present at that time.

MINUTES:

"Commissioner Coggin moved, seconded by Commissioner Phillips, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

MEETING WITH LEGISLATORS:

Chairman Rodgers introduced the Rutherford County legislative delegation and advised the County wanted to know what they perceived would be coming in 2009.

Representative Donna Rowland advised the State is facing the same thing as the locals on the economy and both parties needed to stay in touch. The delegation have not seen any financial proposals yet.

Senator Bill Ketron advised there is an estimate of up to \$1,200,000,000 deficit by June, 2009 in sales tax collections but he does not foresee cuts to education. Senator Ketron advised he was working on a bill requiring the State to establish a website for all expenditures so citizens can see where the tax dollars go.

Senator Jim Tracy advised the budget will be the focus this year and he intended to introduce a bill against texting while driving.

Representative Kent Coleman advised education, health services and jail costs represent a majority of the State budget.

Representative Joe Carr advised there is good news in the budget scene in that Tennessee is in better shape than many other states because of the rainy day fund and continues to have a good bond rating.

Mayor Burgess next spoke and reiterated the down turn in revenues but advised Rutherford County is 4.2% positive for sales tax collection although the State is overall in negative numbers. Mayor Burgess questioned since Rutherford County is doing more than its fair share was there any way to not take some of the burden. Further, Mayor Burgess requested consideration of some exemptions in sales tax collection if the Counties are to depend on this for the long term. There is nothing on the horizon to help with

infrastructure costs and road improvements and there is no real local dollars to make improvements. The County can only maintain. Senator Tracy advised there has been no change to the transportation formula since 1989 but there is a committee studying the same for recommendations.

Commissioner J. Jordan next advised if there are cuts to the pre-K program that it was likely Rutherford County would be unable to fund the program. Senator Ketron advised it was his understanding the State would freeze funding at the current level but there would be no increase.

Commissioner Black questioned where the bill stood on radioactive waste and keeping the same out of Rutherford County. Representative Rowland advised in 2007 she put in place a moratorium on radioactive waste and got personal assurance from BFI and Waste Management that radioactive waste would not be accepted. Unfortunately, the bill had constitutional conflicts and problems because Tennessee is in a coalition with other states. Representative Rowland advised the bill seemed to be gaining support and is not a dead issue but she doesn't know where it is headed. Representative Rowland advised it does not make sense anymore to bury garbage as advanced as society is. Senator Tracy advised a landfill wishing to accept radioactive waste would have to file a waiver and a public hearing would be required.

Senator Tracy advised as to Phase I of Jefferson Pike improvements from I-840 to Smyrna the engineering study has been done and if the President's stimulus package is approved the road work may be included.

Commissioner Farley advised acceptance of radioactive waste is not in the hands of the County and is a State department decision. Ms. Rowland advised she would propose a study committee on what each entity can do as far as accepting radioactive waste.

Commissioner Sandlin inquired as to whether there was any idea on where monies would be cut. Representative Coleman advised he did not think it would be in education but the big ticket item is health care and that is where cuts are most likely.

Representative Rowland advised typically the last two weeks of the session is when the numbers are provided and this is a moving target.

Senator Tracy advised he did not foresee an increase in the gas tax.

Commissioner Bullen advised he was requesting a more equitable distribution of monies such as the Hall tax which when collected goes back to where it was collected such as Belle Meade which does not need it. Additionally, cities get sales tax dollars off the top and the City of Murfreesboro gets approximately \$7,000,000 with Rutherford County getting nothing. Commissioner Bullen questioned why taxes could not be distributed more equitably. Representative Coleman responded the Hall tax is on interest and dividend income and that the State takes out a cut and then the tax does go back to where it was collected. Representative Coleman advised he hoped this year the Hall tax is changed because it is wrong but it is approximately \$262,000,000 per year in revenue.

Commissioner Bullen also questioned whether renewal of car tags could be solved at the State level to prevent residents of one county buying their tags in another county to avoid buying the wheel tax sticker or complying with emissions. Representative Rowland responded that the law is worded that you buy tags where you live but

it is the front line counter people in the Clerk's Office that need to enforce the requirement.

Commissioner Bullen also advised baby food is taxed but horse food is exempted so this tax is not equitable. Representative Carr responded that in 2008 the law was changed and horse feed is now taxed except under certain circumstances.

Commissioner Peay advised at some point there was talk of lowering the GPA on the lottery scholarships and inquired on this. Senator Ketron advised the State did lower the GPA to 2.75 through the end of the junior year and then the GPA goes to 3.0 but it is not cumulative. Representative Rowland advised statistics show that when the GPA requirements are lowered that recipients tend to not keep the scholarships.

Commissioner Peay next advised he had been bothered regarding the landfill issues because there were meetings held behind closed doors that Rutherford County representatives had been unaware of and he wanted reassurance this would not happen again.

Commissioner Peay advised he was also interested in the transfer tax. Senator Ketron advised there was a four year moratorium enacted on this issue to get the County Powers Relief Act passed but he was sure this would come up again.

Darrell Scarlett of the County Attorney's Office next provided copies of the County Motor Vehicle Tax Private Act and T.C.A. 5-8-102 which is the State language on a privilege tax. The County Attorney had previously been asked to advise whether the Wheel Tax Officer could enforce the Private Act on State roads and Mr. Scarlett advised due to the language in the Private Act the Wheel Tax Officer cannot enforce the Private Act on State roads. Mr. Scarlett advised he recommended changing the Private Act to mirror the State statute. Mr. Scarlett advised he could not determine from the minutes a reason for the language in the current Private Act but he saw no reason not to change the Private Act.

Mr. Scarlett further advised on the issue of Clerk's selling car tags to out of county residents, one option would be a state law giving a county the right to sue another county for selling car tags to out of county residents and with a 150% recovery which would eliminate Clerk's selling tags to out of county residents. Mayor Burgess advised he recommended changing the word "may" to "shall" in T.C.A. 55-4-105(a)(2) which is regarding inquiry as to residence. Another problem is that some other counties do not require emissions testing which is a problem. Senator Ketron advised Clerk's could also be required to request a driver's license with an address. Commissioner Daniel advised, although cumbersome, new home owner's addresses could be checked. Representative Rowland advised bureaucracy that costs more than the problem should be avoided.

"Commissioner Farley moved, seconded by Commissioner Sandlin, to recommend a change to T.C.A. 55-4-105(a)(2) to change the word "may" to "shall" with appropriate language to the Rutherford County delegates and further to change the Rutherford County Private Act to mirror the State statute on wheel tax enforcement. This motion passed unanimously by acclamation."

Representative Coleman suggested more discussion by the County Commission and to provide more detailed language as to changes requested to the T.C.A. Senator Ketron suggested talking with the Rutherford County Clerk and the Director of the County Clerk's Association for suggestions. Mayor Burgess advised there is still time to develop this language. Representative Coleman advised a caption bill can be filed by the deadline with changes thereafter.

The deadline is the first part of February in the House. Senator Ketron requested preliminary language to reserve a caption bill.

Commissioner Rick Hall inquired what was needed to get relief under the County Powers Relief Act as no relief is in sight under the current tax structure and how much debt is required before it gets attention. Mayor Burgess advised the County Mayor's Association has had two meetings on potential relief but it will not be presented this year because of the moratorium. However, they are laying groundwork for amendments and changes.

Commissioner Peay inquired as to the possibility of grants from the State for school systems that implement solar systems or wind turbines. Representative Rowland advised \$9,000,000 was set aside last year for new construction or improvements.

Mayor Burgess next advised \$35 per felon is insufficient as the actual cost for housing is \$55 per day. Additionally, the State does not pay for probation violators. Mayor Burgess advised although he doubted there would be new money he hoped the current amount would not be cut as the County already supplemented this.

Commissioner Phillips advised there is a loophole in the Senior Tax Freeze program and inquired if the guidelines could be reviewed as to requiring information on household income versus whose name is on the deed.

Sonya Stephenson, HR Director, next addressed the delegation advising she was requesting assistance with the unemployment appeal process. The State now requires all witnesses be present at all hearings which is a burden. A written statement is not allowed. Also, a separation notice is not sent to the State and if an employee does not present one to the State then the State doesn't know what the separation issues were. Senator Ketron requested these concerns be put in writing to the delegation to be addressed. Representative Rowland suggested discussions be had with the private sector as it is a problem there as well and this could be approached from both sides. Senator Ketron also suggested checking with other counties to see if they have experienced the same problem.

FILL VACANCY ON CONSERVATION BOARD:

Chairman Rodgers advised an application had been received from Charles A. Clark for appointment to the Conservation Board. Following discussion,

"Commissioner Farley moved, seconded by Commissioner Coggin, to recommend appointment of Charles A. Clark for appointment to the Conservation Board. This motion passed unanimously by acclamation."

FILL TWO VACANCIES ON CORRECTIONAL WORK CENTER BOARD:

Chairman Rodgers advised applications had been received from Thomas Hartley and Grant Kelley for appointment to the Correctional Work Center Board. Additionally, a letter of recommendation has been received from the Chairman of the Correctional Work Center Board recommending appointment of Mr. Hartley and Mr. Kelley. Following discussion,

"Commissioner Farley moved, seconded by Commissioner Sandlin, to recommend appointment of Thomas Hartley and Grant Kelley to the Correctional Work Center Board. This motion passed unanimously by acclamation."

RECORDS COMMISSION:

John Lodl, local archivist addressed the Committee regarding compensation and duties of the Records Commission. Mr. Lodl advised the Records Commission is enacted by State law and required to meet at a minimum twice per year. The Rutherford County Records Commission has met four times per year recently for a couple of hours per meeting to get the process streamlined including disposal of electronic records. State law does provide for compensation of \$25 per day for those not paid by the State or County. There are currently three people on the Records Commission that would qualify for compensation those being Ernie Johns, Susan Daniel and Ronald Williams serving in the Commissioner position. Mr. Lodl advised he has contacted the State office and to its knowledge no other county compensates its Records Commission members. Mr. Lodl did say Rutherford County has one of the best systems in place. Mr. Lodl advised the cost would be \$300 annually but to his knowledge no one has requested compensation.

Mayor Burgess advised he felt Ronald Williams would be eligible for compensation as the statute says anyone not paid a fixed annual salary by the County. Commissioner Phillips advised he felt this could be questioned because if Joe Frank Jernigan were to serve he could not be compensated as he receives a fixed annual salary. Commissioner Farley advised the Insurance Committee is not compensated either.

STATEMENT OF DISCLOSURE:

Chairman Rodgers reminded the Commissioners of their obligation to file their Statement of Disclosure.

There appearing to be no further business to come before the Committee, Chairman Rodgers declared the meeting adjourned at 7:55 p.m.

JOHN RODGERS, Chairman